

FY 2005 Annual Operating Plan

National Marine Fisheries Service

Final, with FY 2005 Appropriations
March 11, 2005



National
Oceanic and
Atmospheric
Administration

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1.0 PROGRAM INFORMATION/PLANNED ACCOMPLISHMENTS

NOAA's National Marine Fisheries Service (NMFS, or "NOAA Fisheries Service") programmatic activities directly support the achievement of NOAA's strategic goal to "protect, restore, and manage the use of coastal and oceanic resources through an ecosystem approach to management." NMFS activities also support NOAA's goal to "understand climate variability and change to enhance society's ability to plan and respond." The activities carried out by NMFS to support the programmatic objectives are highlighted below. In addition, NMFS supports the goal to "provide critical support for NOAA's mission."

Habitat Program

NMFS is the program manager for NOAA's matrixed Habitat Program. The NMFS portion of the Habitat Program to protect and restore coastal, marine, Great Lakes, and anadromous fish habitat is reflected in this document. NMFS plans, funds, and implements protection and restoration projects; advances applied habitat science; and develops techniques and methods to achieve successful protection and restoration. NMFS also provides technical information and conservation recommendations, and communicates research results to its partners and the public.

The Program seeks to avoid and minimize adverse impacts to living marine resources and their habitats. Activities include reviewing and responding to proposals seeking development or other alteration of coastal, marine, and anadromous fish habitats; reviewing applications for hydropower relicensing; developing and analyzing measures to reduce adverse fishing effects; working with States, other Federal agencies, and local stakeholders to develop watershed or ecosystem management plans; and developing policies that improve the regulation and management of impacts on coastal, marine, and anadromous fish habitats.

NMFS directs the planning, implementation, and monitoring of several programs to restore NOAA trust resources, including the Damage Assessment and Restoration Program; Community-Based Restoration Program; and Coastal Wetlands Planning, Protection and Restoration Act. In addition, it works with the U.S. Army Corps of Engineers to increase marine fisheries productivity and advance habitat restoration technology. NMFS also provides in-house expertise and coordination for habitat restoration research through basic and applied studies. As part of this effort, NMFS provides support for NOAA's efforts to build natural resource damage assessment claims against potentially responsible parties under such statutes as the Comprehensive Environmental Response, Compensation and Liability Act, and the Oil Spill Act of 1990.

The Habitat Program will in 2005:

- ♦ Implement approximately 200 projects that restore essential fish habitat or habitat necessary for the recovery of endangered and threatened species
- ♦ Participate in the relicensing or post-licensing implementation of approximately 50 hydropower projects (FERC and non-FERC)
- ♦ Complete approximately 10,000 consultations where NMFS provides technical assistance and/or recommendations, as authorized under the Magnuson-Stevens Fishery Conservation and Management Act and the Fish and Wildlife Conservation Act

- ♦ Provide, prescribe, or recommend improvements for fish passage at 15 hydrological barriers (FERC and non-FERC)
- ♦ Sponsor large-scale oyster restoration in the Chesapeake Bay.

Coral Reef Program

The NOAA Coral Reef Program is a matrixed program for which NOS is the program manager. This document reflects the NMFS contribution to the NOAA Coral Reef Program. NMFS implements nearly 40% of the NOAA Coral Reef Conservation Program, in Hawaii, the U.S. Pacific, Florida, and the U.S. Caribbean. Coordinated planning and implementation across NOAA has allowed NMFS to build on its strengths—the science capabilities of the Southeast and Pacific Islands Fisheries Science Centers and the management expertise and responsibilities of its Regional Offices—to support national efforts to conserve coral reef ecosystems. With its partners, the program conducts mapping, habitat characterization, and monitoring of coral reefs and associated ecosystems, as well as targeted research to provide managers with scientific information and tools to help conserve, protect, restore, and sustain coral reef fisheries and the ecosystems on which they depend.

The Coral Program will, in 2005:

- ♦ Lead a partnership with the State of Hawaii, DOI, the U.S. Coast Guard, non-governmental organizations, and many local organizations to remove marine debris from the coral reefs and atolls of the Hawaiian Island chain. Since 2001, this large-scale effort has removed over 400 metric tons of marine debris, and this year will complete removal of all major accumulations (an estimated 90 tons) of debris from the Northwestern Hawaiian Islands.

Protected Species Program

NOAA's Protected Species Program is a non-matrixed program internal to NMFS for its Marine Mammal Protection Act and Endangered Species Act statutory responsibilities. The program is supported by the Ecosystems Observations Program and Ecosystem Research Program, both of which are described below. The primary desired outcome of protected species science and management activities is to stabilize and increase population levels for protected species designated as threatened, endangered, or depleted. The office focuses science and management activities on three priority areas: (1) pursuing proactive conservation efforts for marine mammals and species that are candidates for listing under the Endangered Species Act (ESA); (2) listing species in need of protection under the ESA and designating marine mammals as depleted under the Marine Mammal Protection Act (MMPA); and (3) planning and implementing recovery, conservation, and management actions for ESA-listed species and marine mammals.

The Protected Species Program in 2005 will:

- ♦ Conduct eight draft or final status reviews, listings, and critical habitat designations
- ♦ Maintain at least a 65% on-time rate for ESA consultations
- ♦ Improve the efficiency of the permitting program and addressing required NEPA analyses
- ♦ Complete 12 draft or final recovery or conservation plans
- ♦ Developing performance measures for the Pacific Coastal Salmon Recovery Fund
- ♦ Publish three proposed rules to reduce bycatch of marine mammals and sea turtles in fisheries
- ♦ Convene two take-reduction teams to develop fishery bycatch reduction measures

- ♦ Study the impact of acoustics on marine mammals.

The program will also continue to work with other Federal agencies and the public to develop a large whale ship strike reduction strategy. The program currently has very few resources invested in proactive conservation efforts and will develop a plan for the anticipated expansion of proactive conservation efforts in FY 2006.

NMFS will and remain actively involved in efforts to reauthorize the MMPA by providing support for the submission of a bill to reauthorize the act. NOAA, Department of the Interior, Department of Defense, and the Marine Mammal Commission—the agencies principally responsible for developing the administration’s MMPA reauthorization bill—will not revise the bill substantially but instead will resubmit the same version of the bill (originally submitted to Congress in February 2003) to Congress this year. Central to the administration bill are amendments to (1) clarify the MMPA harassment definition, (2) allow the agency to consider recreational fisheries that frequently or occasionally take marine mammals in the take reduction plan development process, (3) enhance enforcement capabilities in the Act, (4) prohibit release of captive marine mammals without a permit, and (5) enable NMFS and FWS to enter into co-management agreements with Alaska natives before a marine mammal stock is listed as depleted.

Ecosystem Research Program

The NOAA Ecosystem Research Program is a matrixed program lead by NOAA Research. NMFS participation in the program provides support to the Protected Species Program. Protected species research focuses on developing scientific information, tools, and technologies to improve understanding of the natural and anthropogenic factors affecting protected species. In FY 2005 NMFS will conduct 11 salmon research activities, 11 turtle research activities, and six marine mammal research activities. This research will focus on species life history, factors for species decline, and efforts to reduce bycatch in fisheries. Also included is research on the effects of ocean noise on marine mammals.

Fisheries Management Program

The NOAA Fishery Management Program is a non-matrixed program internal to NMFS to meet its Magnuson-Stevens Fishery Conservation and Management Act and other fishery statutory responsibilities. NMFS manages Federal fishery resources under the aegis of numerous laws and treaties, which include the Magnuson-Stevens Fishery Conservation and Management Act. The Program works in concert with other NOAA ecosystem goal programs to achieve the overarching outcome of “healthy and productive coastal and marine ecosystems that benefit society.” The Program focuses its efforts on maintaining healthy and productive fish stocks vital to commercial, recreational, and subsistence fisheries within the framework of the Federal laws and mandates regulating the Nation’s living marine resources.

In FY 2005, Fisheries Management Program staff will be involved with the reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act and intend to focus on several key initiatives: dedicated access privileges, individual fishing quotas (IFQs), ecosystem approaches to management, and council membership.

The Program is a cornerstone of the NOAA Fisheries Service mission of stewardship of living marine resources through science-based conservation and management, and the promotion of healthy ecosystems. The Program currently tracks its performance under two Government Performance and Results Act (GPRA) measures: (1) the number of overfished major stocks of fish and (2) the percentage of plans to rebuild overfished major stocks to sustainable levels. Throughout this fiscal year, the Program will work on developing new performance measures to improve NMFS's ability to measure its progress in the short term.

The Fisheries Management Program conducts its mission under eight capabilities: (1) fishery plan development; (2) regulatory analysis, evaluation, and implementation; (3) economic sustainability; (4) investment in state partnerships; (5) international coordination and cooperation; (6) fishery policy development and implementation; (7) outreach and education; and (8) oversight and administration. In the first quarter of FY 2005, NMFS approved and implemented two concurrent frameworks: Framework 16 to the Atlantic Sea Scallop Fishery Management Plan (Scallop FMP) and Framework 39 to the Northeast Multispecies Fish Management Plan (Multispecies FMP). Frameworks 16 and 39 control scallop fishing efforts in re-opened portions of the Georges Bank groundfish closed areas and correct the inconsistencies between the Scallop and Multispecies FMP with regard to habitat closures. These fishery management actions will allow access to large, valuable scallops in the Georges Bank groundfish areas while minimizing bycatch impacts for groundfish, skates, monkfish, and other finfish.

Also in the first quarter, NMFS published a proposed rule (69 FR 63200) implementing Amendments 18 and 19 to the Bering Sea and Aleutian Islands (BSAI) King and Tanner Crabs Fishery FMP. The amendments implement a limited-access quota system that allocates crab resources among harvesters, processors, and coastal communities. NMFS obtained Secretarial approval in November 2004, 2 months before the Congressionally mandated deadline of January 1, 2005. NMFS expects to issue crab quota shares under the BSAI Crab Rationalization Program by the end of FY 2005.

Second and third quarter activities include publishing a proposed rule implementing Framework 40B to the Northeast Multispecies FMP to establish new special access programs (SAP), modify days-at-sea (DAS) leasing and transfers, and clarify DAS baselines. The program also will implement and develop several FMP actions for the remainder of the fiscal year. Targeted plans include the Northeast Multispecies, Pacific Groundfish, Monkfish, and Atlantic Highly Migratory Species and Atlantic Billfish Fishery FMPs.

Law Enforcement Program

The NOAA Enforcement Program is a matrixed program lead by NMFS. The Program manages the Ecosystem Goal Team's Enforcement Program, which includes all aspects of the operations of NMFS enforcement activities and enforcement for NOS Sanctuaries. Successfully managing NOAA's trust resources under the Marine Mammal Protection Act, Endangered Species Act, and the Magnuson-Stevens Fishery Conservation and Management Act; requires many regulations to limit human interaction with fish stocks, marine mammals, and endangered species and to limit human behaviors within protected areas. Within the realm of commercial and recreational fishing, these regulations are complex, involving many facets of operations including catch limits, size restrictions, seasons, quotas, gear specifications, and area restrictions. The Office for Law Enforcement addresses this mission through the investigation of egregious violations, the conduct of preventive patrol, monitoring, and inspections; and educational

outreach to inform the public of regulatory issues. In addition to the Office for Law Enforcement's Vessel Monitoring Program (which allows remote monitoring of fishing vessels' movements on an international basis), cooperative programs with the U.S. Coast Guard, coastal States, and U.S. Territories provide much of the patrol, monitoring, and inspection activity. In 2005, approximately 25 vessels will be added to the VMS program in the Southeast Region covering shark directed limited access permit gill net fishing, and around 150 vessels will be added in the Southeast Region covering shark directed limited access permit bottom longline fishing. An additional 250 vessels in the Northeast Region covering the Framework 40B Multispecies will be added to the VMS. The Office of Law Enforcement looks forward to a year of increased education by Fisheries Law Enforcement Agents achieving 3,765 hours of public education.

Ecosystem Observation Program (EOP)

The NOAA Ecosystem Observation Program is a matrixed program lead by NMFS. The program provides an end-to-end ecological observing system for the Nation's oceans and coasts, and for the ecosystem research that advances NOAA's ability to understand and manage the Nation's living marine resources. The ecosystem research conducted by NMFS contributes to the NOAA Ecosystem Research Program. NMFS scientists develop the models, tools, and techniques for ecosystem assessments and forecasts, and conduct research to improve understanding of the natural and anthropogenic factors that affect ecosystems.

Major activities include conducting surveys of fish and protected resources (i.e., marine mammals, sea turtles, and threatened and endangered fishes), as well as social science surveys; collecting commercial and recreational fishing statistics; collecting information on commercial fisheries through at-sea fisheries observers; monitoring contaminants in coastal biota and sediments; and collecting physical, chemical, and biological oceanographic information for specific regional ecosystems.

The EOP includes fishery assessment and prediction programs that give the Fishery Management Councils and the Secretary of Commerce the economic, social, and biological information necessary for equitable and legally sound regulatory decisions for the 45 current Fisheries Management Plans (FMPs) and for additional proposed plans. Protected species surveys are required for obtaining information to evaluate status and trends and produce population assessments. In FY 2005, NOAA will conduct assessments of three major stocks of fish with unknown status—Pacific coast starry flounder, Caribbean yellowtail snapper, and blackgill rockfish. NOAA has identified a fourth "unknown" stock, California scorpionfish, as an additional candidate for assessment this year and will present it to the Stock Assessment Review Panel (STAR) in May for consideration.

Fisheries observers provide the most reliable and nonbiased source of catch and bycatch data from U.S. commercial fishing and processing vessels. This year, NOAA will provide observer coverage for 26 fisheries at "adequate" or "near adequate" level. Of the 26 fisheries with observer coverage; six fisheries occur in Alaska, nine in New England, three in the Atlantic/Gulf of Mexico region, five in the Northwest, one in Hawaii, and two in California.

The EOP's economic and social sciences program supports effective management of the Nation's living marine resources by assessing the costs and benefits of proposed management actions and existing policies. Objectives for FY 2005 include implementing routine economic data collection programs in

selected commercial fisheries. In FY 2005, NOAA supports economic data collection programs on commercial harvester operations in four regions: Northeast (all observed fleets), Southeast (snapper-grouper and reef fish), Southwest (all observed fisheries), and Pacific Islands (bottomfish and longline fleets). EOP will initiate new economic surveys in five fisheries: reef fish in the Southeast Region, BSAI crab in Alaska, groundfish and salmon in the Northwest, and nearshore groundfish in the Southwest.

Additional EOP objectives include conducting expenditure surveys of recreational anglers; conducting community profiles in all regions; developing a comprehensive valuation survey of all marine protected species; implementing a national seafood consumption survey; and conducting economic assessments of harmful algal blooms and freshwater ecosystem services. Finally, EOP expects to complete a national employment survey of commercial harvest and for-hire sectors by the second quarter. The survey will help NOAA understand the potential economic effects of proposed regulations on commercial and for-hire fishermen in the commercial and recreational fisheries, and on fishing communities.

Aquaculture Program

The NOAA Aquaculture Program is a matrixed program lead by NMFS. The Aquaculture Program is responsible for coordinating and supporting NOAA-wide aquaculture activities. The objectives of the program are to collaborate with partners to increase production of marine species and associated products through commercial aquaculture; improve resource management through the application of aquaculture technology for replenishment of marine resources; and encourage worldwide adoption of environmentally sound aquaculture.

Priorities for FY 2005 include:

- ♦ Developing further the aquaculture program and identifying activities in other programs for possible consolidation into the program
- ♦ Obtaining interagency clearance for and supporting Congressional consideration of the administration's offshore aquaculture legislation
- ♦ Developing NOAA aquaculture permitting guidelines
- ♦ Completing an expanded economic analysis of marine aquaculture
- ♦ Preparing a report on biological and economic benefits of stock replenishment
- ♦ Educating and engaging stakeholders through outreach activities.

The NMFS portion of the NOAA Aquaculture Program includes earmark funding for the Science Consortium for Ocean Replenishment and Enhancement (SCORE). In FY 2005, SCORE funds will be used by NMFS (Manchester Laboratory) and partner institutions (Mote Marine Laboratory, the University of New Hampshire, and a Native American tribe) to examine scientific principles and approaches to stock enhancement for regionally important species. A portion of SCORE funding will support planning for the third International Conference on Sea Ranching and Stock Enhancement.

Climate and Ecosystems

Under the Climate goal, the NOAA Climate and Ecosystems Program is a matrixed program lead by NOAA Research. The NMFS portion of the Climate and Ecosystems Program is reflected in this document.

The Climate and Ecosystems Program will in 2005:

Develop two new indices that demonstrate how changes in ocean productivity are linked to climate variability. These indices will be based upon environmental observations, and analyses and will provide guidance for fisheries management. Example indices include: an optimum wind index to track wind speeds favorable for successful larval walleye Pollock feeding; or a springtime Saint Paul surface air temperature index to monitor the recent tendency for spring seasonal adjustments, the timing of which are crucial to marine species, to occur earlier in the eastern Bering Sea.

1.1 FY 2005 Objectives Designed to Achieve Goals in NOAA's Strategic Plan

NMFS stewardship activities under the "ecosystem" goal support NOAA performance objectives to:

1. Increase number of fish stocks managed at sustainable levels
2. Increase number of protected species that reach stable or increasing population levels
3. Increase number of regional coastal and marine ecosystems delineated with approved indicators of ecological health and socioeconomic benefits that are monitored and understood
4. Increase number of habitat acres conserved or restored
5. Increase portion of population that is knowledgeable of and acting as stewards for coastal and marine ecosystem issues.

NMFS activities under the "climate variability" goal support the following NOAA performance objectives:

6. Understand and predict the consequences of climate variability and change on marine ecosystems
7. Increase number and use of climate products and services to enhance public and private sector decision making.

NMFS activities under the "critical support" goal support the following NOAA performance objectives:

8. Improve the annual budget estimate submission and associated documentation
9. Provide oversight and management of NMFS programs
10. Work toward error-free annual financial audits
11. Improve IT information sharing and storing capabilities
12. Improve IT security
13. Maintain NMFS facilities to ensure a safe environment for all staff
14. Implement a comprehensive agency-wide training program.

1.2 FY 2005 GPRA Performance Measures

NMFS currently has seven Government Performance and Results Act (GPRA) performance measures for FY 2005, by which we gauge the results of our activities. We are refining our GPRA measures for FY 2006.

FY 2005 GPRA Measures	Objectives from 1.1	Program	FY04 Actual *	FY05 Goal
Number of Overfished Major Stocks of Fish	1	Fisheries Management	42 stocks	42 stocks
Percentage of Plans to Rebuild Overfished Major Stocks to Sustainable Levels	1	Fisheries Management	95.5%	98%
Number of Acres of Coastal Habitat Conserved or Restored	4	Habitat	5,563 acres	4,500 acres
Increase in Number of Threatened Species with Lowered Risk of Extinction **	2	Protected Species	7	6
Increase in Number of Endangered Species with Lowered Risk of Extinction **	2	Protected Species	5	7
Number of Commercial Fisheries that Have Insignificant Marine Mammal Mortality **	2	Protected Species	3	8
Number of Major Stocks with an "Unknown" Stock Status	1	Ecosystem Observation	85	81

* FY04 Actual numbers are preliminary and will be confirmed by May 2005. The number "42 stocks" counts Southern New England/Mid-Atlantic yellowtail flounder as a single stock, previously tracked as two separate stocks.

** These three measures will be replaced with new, updated measures in FY 2006; this is the last year of reporting on these measures.

1.3 Line Office FY 2005 Milestones by Program and by Quarter

The following milestones identified in the NOAA Program, Planning, Budgeting, and Execution System (PPBES) program annual operating plans are to be completed by NMFS. The development of milestones has been guided by the GPRA measures they support. The milestones included in this plan are only the most significant milestones of each program and are not intended to be all-inclusive of all program milestones.

Program codes used in the milestone tables:

Code	NOAA Program	Primary NMFS Office	Milestone Contact
HAB	Habitat	Office of Habitat Conservation	Roger Hutchinson
COR	Corals	Office of Habitat Conservation	Tom Hourigan
PSP	Protected Species	Office of Protected Resources	Pam Polmateer
FMP	Fisheries Management	Office of Sustainable Fisheries	Margo Schulze-Haugen
AQC	Aquaculture	AA for Fisheries	Michael Rubino
ENF	Enforcement	Office for Law Enforcement	Mark Paterni
ERP	Ecosystems Research	Office of Protected Resources	Pam Polmateer
EOP	Ecosystems Observations	Office of Science and Technology	Steve Swartz
CLE	Climate and Ecosystems	Office of Science and Technology	Kenric Osgood

Ecosystem Goal

HABITAT PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
HAB	GPRA: Conserve or restore 4,500 acres of coastal habitat	4 th	F/HC	
HAB	Engage the Great Lakes Interagency Task Force (established in May 2004 by Executive Order 13340) to restore aquatic resources at the watershed scale in Great Lakes communities.	4 th	F/HC	
Habitat Program Total				64.5

CORALS PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
COR	Lead a Federal, State, NGO partnership to complete removal of all major accumulations (an estimated 90 tons) of marine debris from the coral reefs and atolls of the Northwestern Hawaiian Islands.	4 th	F/HC	
Coral Program Total (\$10.8 transferred to NMFS from NOS)				see NOS

PROTECTED SPECIES MANAGEMENT PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
PSP	Convene Federal agencies to discuss actions to reduce large whale ship strikes	4 th	F/PR	
PSP	Complete scoping meetings for EIS on thresholds and durations of sound in the marine environment that might affect marine mammals (DEIS to be published in FY06)	2 nd	F/PR	
PSP	Submit a bill for reauthorization of the Marine Mammal Protection Act (MMPA)	4 th	F/PR	
PSP	Complete development of performance measures for the Pacific Coastal Salmon Recovery Fund	2 nd	F/PR	
Protected Species Program Total				195.3

FISHERY MANAGEMENT PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
FMP	Publish final rule to authorize implementation of the crab rationalization program	2 nd	F/SF	
FMP	Solicit crab rationalization applications for individual and process quota shares	3 rd	F/SF	

FMP	Co-Sponsor conference on Magnuson-Stevens Act (MSA) reauthorization	2 nd	F/SF	
FMP	Complete MSA reauthorization proposal for DOC submission to OMB	4 th	F/SF	
Fisheries Management Program Total				146.2

ENFORCEMENT PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
ENF	Expand VMS by 425 vessels (covering 3 fisheries)	4 th	F/EN	
ENF	Establish Joint Enforcement Agreements with 23 Coastal States	4 th	F/EN	
Enforcement Program Total				43.6

ECOSYSTEM OBSERVATION PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
EOP	GPRA: Complete assessments of Pacific coast starry flounder, Caribbean yellowtail snapper, and California Scorpionfish	3rd	F/ST	
EOP	GPRA: Complete assessment of blackgill rockfish	4th	F/ST	
EOP	Initiate an international study of large marine ecosystems	4th	F/ST	
Ecosystem Observation Program Total				300.0

AQUACULTURE PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
AQC	Provide support for draft legislation, testimony and outreach, including submission of key reports, for the establishment of NOAA aquaculture permitting authority in the EEZ	4 th	AQC	
Aquaculture Program Total				1.5

Climate Variability Goal

CLIMATE AND ECOSYSTEMS PROGRAM

Program	Milestone	Quarter Due	Responsible LO Component	Total Program Funding (\$M)
EOP	Develop two new indices demonstrating how changes in ocean productivity are linked to climate variability	4 th	F/ST	
Climate and Ecosystems Program Total				1.5

SUMMARY OF MILESTONES BY OFFICE AND BY QUARTER

Responsible NMFS Component	Q1	Q2	Q3	Q4	Milestones
Office of Habitat Conservation				3	3
Office of Protected Resources		2		2	4
Office of Sustainable Fisheries		2	1	1	4
Office of Law Enforcement				2	2
Office of Science and Technology			1	3	4
AA for Fisheries - Aquaculture Staff				1	1
Total Milestones		4	2	12	18

Both HAB and COR Program milestones are tracked by the Office of Habitat Conservation.

EOP and ERP milestones related to protected species are tracked by the Office of Protected Resources; all other remaining EOP and ERP milestones are tracked by the Office of Science and Technology

1.4 Due Dates/Reports (Congressional Reports)

REPORTS DUE TO APPROPRIATIONS OR AUTHORIZING COMMITTEES IN FY 2005

Congressional Report Title	Due to Congress (in order of due date)
Status of Fisheries in the United States: Rebuilding Overfished Fisheries (2003 Report)	12/31/04 (this report was submitted to Congress 6/7/04)
NOAA Long Range Facilities Plan	TBD (NOAA has lead)
Coastal Services Center in Louisiana Projects	TBD (NOS has lead)
Shark Finning Prohibition Act	12/21/04
Bycatch Reduction Agreements	1/1/05
Driftnet Fishing (Foreign Large-Scale High Seas)	1/1/05
New England Report: NE Multispecies Harvest Capacity and Impact of NE Harvest Reduction Capacity	1/21/05
Apportionments of Membership in Regional Fishery Management Councils	1/31/05
Chesapeake Bay Estuarine Resources Office Activities	1/31/05
Bluefin Tuna, the Atlantic Tunas Convention Act	3/1/05
Coral Reef Conservation "National" Program Report	3/16/05
Dolphin Encirclement Research Spending Plan FY 2005	3/31/05
Pacific Coastal Salmon Recovery Program Performance Measures	3/31/05
Federal Funding under the Atlantic Coastal Fisheries Cooperative Management Act	3/31/05
Biennial Endangered Species Act (ESA) Report	4/1/05
Atlantic Tunas Authorization Act of 1995 Report on Highly Migratory Species	4/1/05
Activities Conducted under the Interjurisdictional Fisheries Act and the Anadromous Fish Conservation Act	4/30/05
International Dolphin Conservation Program Annual Report (MMPA Section 305)	5/1/05

1.5 OMB PART Findings (Actions to Mitigate)

In the FY 2004 budget, two Program Assessment Rating Tool (PART) assessments were listed and conducted on NMFS programs. The findings and status on actions to mitigate are provided below.

Regulatory Based Programs: NMFS received a score of "adequate" for FY 2003 and FY 2004. There were three major findings/recommendations.

PART Findings

1. Less than half of major fish stocks are known to be at sustainable levels. Stock levels are unknown for 40 percent, and 17 percent are known to be overfished. NMFS has rebuilding plans in place for most overfished fisheries. Due to biological limits, some plans will take a number of years to achieve goals.

2. NMFS's long-term goals are to significantly reduce the number of overfished stocks, reduce the likelihood of extinction of endangered species, and ensure that important habitats are protected. There is some belief that existing goals could be more ambitious if Congress fully supported the President's Budget request. NMFS is implementing a number of management changes and proposing budget and legislative changes based on prior program assessments. The PART reaffirmed the need for such changes.

3. Several independent and outside reviews of NMFS indicate NMFS has been somewhat effective -- within its existing authorities. NMFS is burdened with significant congressional earmarking that is often not tied to its primary performance goals. In addition, the Administration has requested substantial funding increases for fish stock inventories and surveys, not all of which have been provided by Congress.

Actions to Mitigate: The administration has requested and is continuing to request substantial funding increases for fish stock inventories and surveys, not all of which have been provided by Congress. In addition budget proposals continue to sustain the President's 2003 budget policy of reallocating funds away from earmarks and toward core NMFS missions. NMFS also continues work implementing management and organizational changes.

Pacific Coastal Salmon Recovery Fund: NMFS received a score of "results not demonstrated" for FY 2003 and FY 2004. There are two major findings/recommendations.

PART Findings:

- The budget continues the program and again proposes allocation of funds based on the listed salmon recovery goals.
- The program is directed to complete the development of program-wide long-term performance measures by June 2003.

Actions to Mitigate: The Pacific Coastal Salmon Recovery Fund (PCSRF), NMFS, and the PCSRF grantees (States and tribes) worked together over the past year to develop performance indicators to track progress and report on the status of the program. States and tribes have agreed to report on 70 indicators across five broad program objectives. Outcome-based performance measures will be developed in the coming year.

NOAA has established a system to collect information on performance indicators, which are currently being reported as performance outputs. NMFS will develop specific outcome-based program performance measures, including goals and targets, with State and tribal cooperation. The performance measures will be used in the 2005 Report to Congress. NMFS has a milestone to complete development of these Pacific Coastal Salmon Recovery Fund performance measures in the second quarter.

NMFS submitted *Pacific Coastal Salmon Recovery Fund (PCSRF) Results, 2nd Annual Report, Projects & Validation Monitoring* to Congress in FY 2004. This 58-page report describes 3,200 salmon projects undertaken since 2000.

New PART assessment: Fisheries Management (including fisheries enforcement) is currently under consideration for a PART assessment in 2005. Reasons for considering this program include the availability of useful measures, the fact that it represents significant portion of the NMFS budget, and ongoing and planned external reviews. Review of this subject is also particularly relevant because authority for program will be revisited this year with Magnuson Stevens Reauthorization.

2.0 BUDGET RESOURCES INFORMATION

NOAA Program Structure NMFS (\$ in Millions)			
Goal/Program	FY 2004 Enacted	FY 2005 Request	FY 2005 Enacted
Ecosystems			
Habitat	52.7	39.8	64.5
Corals	[11.0]	11.0	[10.8]
Protected Species	174.5	176.0	195.3
Fisheries Management	118.7	122.9	146.2
Aquaculture	1.5	0.6	1.5
Enforcement	45.2	53.4	43.6
Ecosystem Research	21.9	46.3	40.7
Ecosystem Observations	319.0	281.2	300.0
Ecosystems Subtotal	733.5	731.2	791.8
Climate			
Climate and Ecosystems	1.4	2.0	1.5
Organizational Excellence			
Fleet Replacement	-2.4		
Procurement, Acquisition, and Construction	25.6	2.0	31.0
Total NMFS	758.1	735.2	823.6

2.1 Proposed Transfers/Reprogramming

Internal Transfers:

<u>PPA</u>	FY 2004 Enacted	FY 2005 Request	FY 2005 Enacted
Coral Reefs – Transferred from NOS	0	11,000	[10,842]

NMFS coral reef activities are developed through the NOAA Coral Reef Conservation Program under the leadership of NOS. Funding decisions are made collaboratively among the LOs to ensure a strong and balanced program, but NMFS has specific mandates, capabilities, strengths, and facilities on which NOS and the other LOs depend for implementation. The presence of NMFS Science Centers in the Southeast and Hawaii has been an especially key asset that allows NMFS to conduct research and partner with States, Territories, and academic institutions in ways unavailable to the other LOs. In particular, because of our fisheries expertise, NMFS implements all of the NOAA coral reef fishery-related activities. NMFS also manages the Coral Reef Grants programs to Fishery Management Councils, NGOs, and academic institutions, and leads much of the in-house science and monitoring through the Southeast Fisheries Science Center and Pacific Islands Fisheries Science Center.

Reprogramming:

<u>PPA</u>	FY 2004 Enacted	FY 2005 Request	FY 2005 Enacted
Systems Acq. Computer Hardware & Software (PAC)	3,500	0	3,450
\$2,000 to EPA Pesticide Consultations			
\$1,450 to Salmon ESA			

A specific reprogramming request for Pacific Salmon funds was sent to NOAA for review and clearance on March 8, 2005. This reprogramming is consistent with the item identified in the Chief Financial Officer's presentation to the NEP and NEC.

An additional \$500,000 to cover a Federal Credit Reform Act loan for a fishing capacity reduction program in the Southeast Alaska purse seine fishery may also be proposed for reprogramming if the funds cannot be obligated this year.

2.2 New Starts/Terminations of Programs

Terminations:

The following programs were funded in FY 2004 Enacted but are terminated in FY 2005 Enacted.

<u>PPA</u>	FY 2004 Enacted	FY 2005 Request	FY 2005 Enacted
Marine Mammal Protection - Manatee - New College	239	0	0
Alaska Sealife Center and Steller Sea Lion Programs - Ice Seals	237	0	0

<u>PPA</u>	FY 2004 Enacted	FY 2005 Request	FY 2005 Enacted
Steller Sea Lion Recovery Plan - Alaska Fisheries Foundation	955	0	0
Rancho Nuevo Sea Turtles	334	350	0
Chinook Salmon - State of Alaska	1,280	0	0
Reducing Bycatch - Gulf/Atlantic Turtle Excluder Device (GSAFD)	1,146	0	0
Western Alaska Salmon Failure - Bering Sea Fisheries Association	955	0	0
Alaska Fisheries Development Foundation	1,433	0	0
Atlantic Billfish Research	2,388	0	0
Charleston Bump - Billfish Tagging	478	0	0
Product Quality and Marketing - South Atlantic Shrimp	1,910	0	0
Monkfish Trawl	573	0	0
Shrimp Pathogens: South Carolina	621	0	0
South Carolina Oyster Recovery	955	0	0
Virginia Fisheries Trawl Survey	478	0	0
Observers/Training - S. Atlantic/Gulf Shrimp Observers	764	0	0
Bay Watersheds Education & Training Program	2,388	0	0
Narragansett Bay Marine Education Program (Save the Bay)	478	0	0
Instream Flow Pilot Program (UNH)	573	0	0
Cooperative Research: NEC Cooperative Marine Education & Research	191	0	0
Cooperative Research: SC Cooperative Research	1,910	0	0
Ecosystem Management - Gulf of Mexico	478	0	0
Ecosystem Management - Middle Atlantic	478	0	0
Ecosystem Management - New England	478	0	0
Ecosystem Management - South Atlantic	478	0	0
NAPA/NAS Management Review	191	0	0
Promote and Develop Fisheries - Gulf and South Atlantic Fisheries Foundation	2,000	0	0
Promote and Develop Fisheries - South Carolina Seafood Alliance	2,000	0	0
Promote and Development Fisheries - Oregon Trawl Commission	1,500	0	0

<u>PPA</u>	FY 2004 Enacted	FY 2005 Request	FY 2005 Enacted
Promote and Development Fisheries - Oregon State University Seafood Laboratory	1,500	0	0

New Starts (PPAs):

<u>PPA</u>	FY 2004 Enacted	FY 2005 Request	FY 2005 Enacted
Fish and Grasses - ESA Supplemental	0	0	1,039
Marine Mammal Initiative	0	0	9,856
Marine Mammal Strandings - Marin Headlands Marine Mammal Center	0	0	1,971
Marine Mammal Strandings - Shed Marine Mammals	0	0	247
Alaska Native Marine Mammal Co-management - Bowhead Whale Spatial Studies	0	0	591
Alaska Native Marine Mammal Co-management - Aleut Marine Mammal Commission	0	0	148
Bottlenose Dolphins - MS Inst. for Marine Mammal Studies	0	0	2,465
Hawaii Seafood Safety and Inspections	0	0	1,478
Crab Rationalization NOAA Fisheries	0	0	986
Seafood Safety Initiative	0	0	1,478
Fisheries Habitat Restoration - Atlantic Salmon/Penobscot River Habitat Restoration	0	0	986
Oyster Reef, Reseeding, Rehabilitation - Supplemental	0	0	8,991
Merrimack River fish habitat/land conservation	0	0	493
Center for Marine Education and Research (MS)	0	0	2,957
Facilities FY05 Supplemental	0	0	344
Promote and Development Fisheries - Wild American Shrimp Initiative	0	0	1,000
Promote and Development Fisheries - Gulf Oyster Industry Education Program	0	0	1,000

2.3 Extramural Research Budgets

	FY2004	FY2005	% Change
Small Business Information Research (SBIR)	\$658.5K	\$531K	(19%)
University	\$13,453.0K	\$9,721K	(28%)
State & Non-Profit	\$12,882.6K	\$11,507K	(10%)
TOTAL	\$26,994.1K	\$21,759K	(19%)

2.4 Financial Audit Actions

Property Reconciliation: NMFS had a backlog of unreconciled procurement (UPR) with 202 items totaling \$1.8 million as of March 1, 2005. This backlog is currently being reduced, and NMFS is on track to be caught up by the end of June 2005.

One of the pending issues to resolve is a software order in the amount of \$1,559K which had a partial delivery totaling \$935K, currently listed on the UPR. Thus, an outstanding balance in the amount of \$624.2K remains to be paid in June 2005. Upon delivery, NMFS will take appropriate action to remove the software from our UPR.

CIO Material Weakness: In fall 2004, the OIG reviewed NOAA mission-critical systems and found several discrepancies. The OIG stated that NOAA's risk assessment, security plans (specifically: topology, inventory; and interconnect diagrams/information) and the System Test & Evaluation (ST&E) were unsatisfactory. This was a review of NOAA overall, and not specifically of NMFS systems. The NMFS contribution to the OIG audit response requires re-accreditation of the NMFS Wide Area Network, to be completed by September 2005, and re-accreditation of the regions and centers Local Area Networks by September 2006.

NOAA Fisheries will award a contract in 2005 to ensure Certification & Accreditation requests are met on schedule. A plan is in development for successfully completion of Certification & Accreditation activities. NOAA Fisheries has 29 systems; of those 1 is Mission Critical, and 28 are Business Essential. A preliminary schedule for completion of C & A activities targets 10 systems, including Mission Critical systems.

Number of systems Completed	Target Completion Date
10 (Includes Mission Critical system)	9/30/05
6	12/15/05
4	3/30/06
4	6/30/06
5	8/30/06